

The Green Collar Jobs Council's Position on the Green Economy and Green Collar Jobs A Foundation for Deliberation and Investment

The Green Collar Jobs Act, signed into law by Governor Schwarzenegger in 2008, established the Green Collar Jobs Council (GCJC) under the purview of the California Workforce Investment Board (CWIB).

The Green Collar Jobs Council is tasked with understanding the current and future workforce needs of the Green/Clean economy, and developing a comprehensive strategy to prepare California's workforce to meet the needs of businesses as the transition to a more sustainable Green/Clean economy takes place. The Green Collar Jobs Act requires that the CWIB utilize a sector strategy approach in addressing California's workforce needs and align its approach with the Economic Strategy Panel's work on regional economies and industry clusters. The Council must ensure that efforts aimed at improving the skills of today's workers are effective and well coordinated. Likewise, projects undertaken to prepare tomorrow's workers for the emerging green collar economy must also be well synchronized.

Regarding the GCJC, Governor Arnold Schwarzenegger has said, *"As we continue to navigate California's economic recovery, we want to make sure our businesses and residents are ready to compete for new markets and changing jobs. The Green Collar Jobs Council will work with leaders in education, workforce development and business throughout the state to ensure California is on the leading edge of the new green economy—and able to meet the job demands it brings."*

In order to effectively meet its charge, the GCJC needs to understand the Green/Clean Economy, how the GCJC's decisions may influence the Green/Clean Economy, and how this economy may potentially impact the State's residents and environment. This position paper will serve as a guide to the GCJC as it deliberates strategies and policies to prepare the Green workforce, and make recommendations on the use of resources to meet the demands of the emerging Green/Clean economy.

Background

California has a long-standing history of leading implementation of environmental policy. Most recently, the enactment of the California Global Warming Solutions Act (AB 32) and the Alternative and Renewable Fuel and Vehicle Technology Program (AB 118) have demonstrated that California is becoming a national and global leader in combining advances in public policy and private sector innovation to enhance both environmental quality and economic growth. With the venture capital community heavily investing in a range of clean technologies, state leaders know that policy decisions along with new investments signal transformation for the entire California economy. Current challenges now exist around understanding what makes up the green economy, what existing jobs are being transformed, what new jobs are being created, and what implications these events have on education, economic, and workforce development policy issues.

California has historically maintained an economic competitive advantage due to its innovative industries and highly skilled workforce. These enviable advantages are rooted in California's support of its business and industry and the educational attainment of its workers. This commitment must continue and evolve if California is to grow its next wave of competitive and innovative industries and workers.

Research

In March of 2008, California's Economic Strategy Panel (Panel) published a report entitled *Clean Technology and the Green Economy: Growing Products, Services, Businesses and Jobs in California's Value Network*. The report's primary objective was to help define California's green economy and provide state policy leaders with information needed to address the challenges presented above. In this publication, the Panel asserts that new discoveries and demand for green technologies are fueling the expansion of business activities across the entire economy. This assertion is critical to how green occupations are understood and defined.

The Panel discusses the greening of California's economy not as the development of new and unfamiliar industries, but rather the transformation of familiar industries within the existing economy as they begin to "make more efficient and sustainable use of our limited natural resources".

This noteworthy observation by the Panel is important as the Green Collar Jobs Council considers how to frame the workforce development strategies in support of this economic opportunity. While there is potential for completely new skill sets to be required by segments of the green economy, a majority of the jobs that will be associated with it are familiar and may spring from industries which have historically suffered from declining job numbers. Remarkably, two industries often cited for job losses statewide are poised for potential growth as the Green Economy takes shape, namely, construction and manufacturing.

Any attempt to define "green jobs" in a state with an economic base as diverse and extensive as California's would be flawed unless it assumed the potential for job growth from an economic value network and product value chain perspective. To be successful in its charge the GCJC (and the Panel) will continually engage the range of leaders contributing to this economic transformation and consider policy implications to facilitate growth and competitiveness of the emerging green economy. The report will be one of the foundation documents that the GCJC shall consider in its deliberations on policy and investment in Green Workforce Initiatives. The GCJC will also look to the emerging field of research and practice on sector strategies and industry clusters as it seeks to develop a robust and sustainable approach to the development of the workforce needed to support Green enterprise. The description of the Economic Strategy Panel's report is brief, and the following link is provided to offer readers the opportunity to review this document in its entirety. *Draft Green/Clean Economy Report*

In addition to the report, the Panel and the Employment Development Department's Labor Market Information Division (LMID) have developed a working definition of the Green Economy and the jobs associated with it. This definition is the result of reviewing nearly 100 documents published on the Green economy. This body of work encompasses findings from a wide variety of organizations from throughout the United States and is garnering national attention. Below is the abbreviated working definition as represented by the acronym "GREEN":

Green or clean is any activity or service that performs at least one of the following:

- **G**enerating and storing renewable energy
- **R**ecycling existing materials
- **E**nergy efficient product manufacturing, distribution, construction, installation, and maintenance

- Education, compliance and awareness
- Natural and sustainable product manufacturing

The full definition is broad, fairly comprehensive, and connects the green categories and industry titles to the North American Industrial Classification System (NAICS). It will be modified as needed following analysis of the LMID's green survey responses during the summer of 2009. It provides a broad foundation upon which the GCJC can build strategies. This document will be considered as another key piece of information for the GCJC as it deliberates the workforce needs of California's Green economy. *LMID Green Definition*

Value Proposition

The Green Economy holds an additional value proposition in the business and employment benefits it may produce for Californians. For this value proposition to materialize it is incumbent that the education, workforce, and economic development systems transform themselves. Failure to do so may risk California's ability to capitalize on the opportunities in the emerging Green Economy, and lose our competitive global economic advantage to other states and countries.

Through discussion and input from a variety of stakeholders including GCJC members, State agencies, various philanthropic organizations, community based organizations, and others, it is believed that the GCJC's decisions and recommendations will benefit from establishing guiding principles that reflect the values associated with the Green Economy. These values are also found in much of the literature available on the Green Economy and Green jobs.

From a business perspective, this economic opportunity holds promise for:

- A business environment which provides greater opportunity for business start-up, expansion, retention and growth, including improved opportunity for minority and women-owned enterprise;
- Recognition of the critical role played by entrepreneurs in this emerging economy, and reward for innovation;
- Spread of economic benefit to all groups while creating new public/private partnerships never thought probable before;
- Investment in the growth and support of a sustainable economy through the effective leveraging of fiscal and other resources; and
- Strong collaboration between business leaders, and stakeholders in education, economic and workforce development, as well as community based and philanthropic organizations, ensuring business needs are supported by a skilled and talented workforce.

From an employment perspective the Green Economy holds the promise of jobs that:

- Provide incomes which allow individuals and families to achieve a higher quality of life recognizing that family-sustaining and prevailing wages (where applicable) may differ regionally;
- Provide career pathways which are connected to a full complement of educational opportunities (including state certified apprenticeship and certification programs) which lead low-income and unemployed individuals out of poverty, and provide incumbent workers advancement opportunities;

- Impact the environment in a positive way by providing products and services which promote renewable energy, reduce pollution, conserve energy and natural resources and restore or enhance the environment while spreading environmental, economic and wellness benefits to all individuals; and
- Provide employment stability and are sustainable.

Considerations for a Workforce Development Strategy

The GCJC's Short Term strategy will:

- Focus on workforce development solutions for industries which support the green initiatives identified in ARRA including Smart Grid Transmission, Renewable Energy, Energy Efficiency, Weatherization, and others as identified;
- Develop/respond to grant opportunities which support preparation of unemployed, underemployed, low-income, displaced and incumbent workers, as well as at risk youth for employment in careers in the green economy--to include assessment, training, internships, On-the-Job Training, connection to state approved apprenticeship programs and job placement;
- Partner with and influence education at all levels (K-12 and Community Colleges, the CSU and UC) to prepare young people for the work of tomorrow—emphasizing the critical need for Science, Technology, Engineering Mathematics, Career Technical Education, and encouraging educational models that connect the rigor of classroom instruction with the relevance of real world-of-work application, soft skills training--including people skills, problem-solving and critical thinking, work readiness skills, enthusiasm, and creativity
- Identify and develop career pathways for short and long term industry demand for green jobs, for example, link job training and employment in weatherization programs to advanced training and employment in building retrofit projects.;
- Create flexible opportunities for incumbent workers to obtain additional training to meet changing workplace demands;
- Seek additional funding opportunities, applying for any federal, state, or other funding under the auspices of the California Workforce Investment Board; and
- Develop a partnerships with California Businesses (and labor-management partnerships where appropriate) to ensure there is a well trained workforce which meets needs of employers.

The GCJC's Long Term strategy will:

- Identify industries for focus beyond ARRA, and work through regional partnerships to disseminate information critical to strategic planning and sector based strategy development;
- Promote a workforce development model which creates a well-trained, highly skilled workforce that is flexible, more adaptable, and equipped to handle the complex work environment presented by California's economy;
- Continue to support expansion of *innovation and development* in renewable energy;
- Focus on California's comparative green advantage, designing projects that support what can be produced in California, used in California and exported from California;
- Structure grant opportunities to support preparation of unemployed, underemployed, low-income, displaced and incumbent workers, as well as at risk youth for employment in careers in the green economy to include assessment, training, internships, On-the-Job Training, connection to state approved apprenticeship programs and job placement

- Continue to support energy efficiency and weatherization, and work to connect these career pathways to the jobs that will emerge as building retrofit efforts get underway;
- Develop policies and programs needed to encourage business investment in green initiatives; and
- Align closely with other initiatives (educational awareness, environmental and regulatory) to mitigate negative environmental and job impacts through green investments.

The GCJC will provide:

- Broad state level direction (may be influenced by California Working GREEN definition discussed above) on investment in green workforce strategies; and
- Support for regional action derived through economic trend analysis, workforce needs analysis, sector strategy development and sustainable planning practices based on broad participation in the planning process from local business, workforce development, economic development, local elected officials, education, labor—the brain trust that collaborates to plan for the best future for all in their region.

Summary

Over the next 18 to 24 months the GCJC will model the framework, funding, strategies, programs, policies, partnerships, and opportunities necessary to address the need for a highly skilled and well trained workforce in support of California's green businesses and economy. Through its work, the Council will serve as a catalyst for the creation of sustainable sector strategies that will be managed through regional partnerships.

To guide this work the GCJC will use the two foundation documents (the ESP's report and California's Working Definition of the Green Economy). Additionally, the GCJC will use the values and aspirations cited above to ensure that the promises of the Green economy are shared by all Californians, and that California's environment is protected for current and future generations. None of the foundation documents, premises or framework statements will take necessary precedence over another, or be considered individually. Rather, they will be taken as a whole to fully inform and support the work of the GCJC.